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BEFORE THE ARIZONA CORPORATION

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Arizona Corporation Commission

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ARIZONA CORPORATION COMMISSION
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COMMISSIONERS

GARY PIERCE - Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE APPLICATION OF
GRAHAM COUNTY UTILITIES, INC. (GAS
DIVISION) FOR APPROVAL OF A RATE
INCREASE.

DOCKET NO. G-02527A-12-0321

PROCEDURAL ORDER

BY THE COMMISSION:

On July 13, 2012, Graham County Utilities (Gas Division) ("GCU" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for an increase in rates for service provided in Arizona.

On September 6, 2012, a Procedural Order was issued setting a hearing for April 1, 2013, setting various procedural deadlines, and ordering publication and mailing of notice of the application and hearing.

On September 27, 2012, a telephonic procedural conference was convened, at GCU's request, to discuss modifications to the customer notice proposed by GCU. Staff also participated in the procedural conference and stated its agreement that the changes to the notice suggested by GCU were appropriate.

IT IS THEREFORE ORDERED that GCU shall provide public notice of the hearing in this matter, in the following form and style with the heading in no less than 18-point bold type and the body in no less than 10-point regular type:

**PUBLIC NOTICE OF HEARING ON THE APPLICATION OF GRAHAM COUNTY
UTILITIES (GAS DIVISION) FOR A PERMANENT BASE RATE INCREASE
(DOCKET NO. G-02527A-12-0321)**

Summary

On July 13, 2012, Graham County Utilities (Gas Division) ("GCU" or "Company") filed an application with the Arizona Corporation Commission ("Commission") for a permanent gross revenue increase of approximately \$224,132, or approximately 6.91

1 percent over current revenues, for the provision of gas service within the Company's
2 authorized service area in Arizona. This rate filing will assist GCU in complying with
3 the Commission order to satisfy the two percent growth requirement from Decision
4 No. 69245. For a residential customer with average monthly usage of 36 therms, the
5 increase would be \$3.25 (7.90 percent), from the current amount of \$41.15 to \$44.40.
6 For a commercial customer with average monthly usage of 289 therms, the increase
7 would be \$6.00 (2.41 percent), from the current amount of \$248.86 to \$254.86.
8 Regardless of the therms used, the rate impact on customers would vary based only on
9 customer class with residential bills increasing by \$3.25 per month and commercial
10 bills increasing by \$6.00 per month, if GCU's proposal were to be adopted.

11 The Commission's Utilities Division ("Staff") is in the process of auditing and
12 analyzing the application, and has not yet made any recommendations regarding
13 GCU's proposed rate increase. The Commission will determine the appropriate relief
14 to be granted based on the evidence presented by the parties. **THE COMMISSION
15 IS NOT BOUND BY THE PROPOSALS MADE BY GCU, STAFF, OR ANY
16 INTERVENORS; THEREFORE, THE FINAL RATES APPROVED BY THE
17 COMMISSION MAY DIFFER FROM THE RATES REQUESTED BY THE
18 COMPANY OR OTHER PARTIES.**

19 If you have any questions concerning how the Cooperatives rate proposal will affect
20 your bill or if you have other substantive questions about this application, you may
21 contact the Cooperative at: Graham County Utilities, Inc., PO Drawer B, Pima AZ,
22 928-485-2451, kgray@gce.coop.

23 **How You Can View or Obtain a Copy of the Rate Proposal**

24 Copies of the application and proposed rates are available from GCU at the
25 Cooperative's offices, 9 W. Center St., Pima, AZ 85543, and at the Commission's
26 Docket Control Center at 1200 West Washington, Phoenix, Arizona, for public
27 inspection during regular business hours and on the Internet via the Commission's
28 website (www.azcc.gov) using the e-Docket function.

29 **Arizona Corporation Commission Public Hearing Information**

30 The Commission will hold a hearing on this matter beginning on **April 1, 2013, at
31 10:00 a.m.**, at the Commission's Tucson Offices, Room 222, 400 West Congress,
32 Tucson, Arizona, 85701. Public comments will be taken on the first day of the
33 hearing. Written public comments may be submitted by mailing a letter referencing
34 Docket No. G-02527A-12-0321 to Arizona Corporation Commission, Consumer
35 Services Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a
36 form to use and instructions on how to e-mail comments to the Commission, go to
37 http://www.azcc.gov/divisions/utilities/forms/public_comment.pdf. If you require
38 assistance, you may contact the Consumer Services Section at 1-800-222-7000.

39 **About Intervention**

40 The law provides for an open public hearing at which, under appropriate
41 circumstances, interested parties may intervene. Any person or entity entitled by law
42 to intervene and having a direct and substantial interest in the matter will be permitted
43 to intervene. If you wish to intervene, you must file an original and 13 copies of a
44 written motion to intervene with the Commission no later than **December 3, 2012**, and
45 send a copy of the motion to GCU or its counsel and to all parties of record. Your
46 motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of GCU, a member of the Cooperative, etc.); and
3. A statement certifying that you have mailed a copy of the motion to intervene to GCU or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that **all motions to intervene must be filed on or before December 3, 2012.** If representation by counsel is required by Rule 31 of the Rules of the Arizona Supreme Court, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail Sbernal@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

IT IS FURTHER ORDERED that GCU shall mail to each of its customers a copy of the above revised notice as a bill insert beginning no later than the first billing cycle in **October 2012**, and shall cause a copy of such notice to be published at least once in a newspaper of general circulation in the Company's service territory, with publication to be completed no later than **October 31, 2012.**

IT IS FURTHER ORDERED that **GCU shall file certification of mailing/publication** as soon as possible after the mailing/publication has been completed, but **no later than November 30, 2012.**

IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing/publication of same, notwithstanding the failure of an individual customer to read or receive the notice.

IT IS FURTHER ORDERED that in all other respects, the Procedural Order issued September 6, 2012, shall remain in full force and effect.

IT IS FURTHER ORDERED that all parties must comply with Rules 31 and 38 of the Rules

1 of the Arizona Supreme Court and A.R.S. § 40-243 with respect to the practice of law and admission
2 *pro hac vice*.

3 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
4 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Rule 42 of the
5 Rules of the Arizona Supreme Court). Representation before the Commission includes appearances
6 at all hearings and procedural conferences, as well as all Open Meetings for which the matter is
7 scheduled for discussion, unless counsel has previously been granted permission to withdraw by the
8 Administrative Law Judge or the Commission.

9 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113 - Unauthorized
10 Communications) applies to this proceeding and shall remain in effect until the Commission's
11 Decision in this matter is final and non-appealable.

12 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
13 pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

14 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
15 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
16 hearing.

17 DATED this 28th day of September, 2012.

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21 DWIGHT D. NODES
22 ASSISTANT CHIEF ADMINISTRATIVE LAW JUDGE

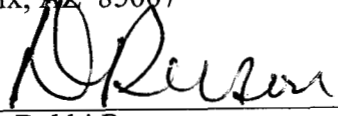
23
24 Copies of the foregoing mailed/delivered
25 this 29th day of September, 2012 to:

26 John V. Wallace
27 GCSECA
28 2210 South Priest Drive
Tempe, AZ 85282

1 Kirk Gray
2 GRAHAM COUNTY ELECTRIC
3 COOPERATIVE, INC.
4 P.O. Drawer B
5 Pima, AZ 85543

6 Janice Alward, Chief Counsel
7 Legal Division
8 ARIZONA CORPORATION COMMISSION
9 1200 West Washington Street
10 Phoenix, AZ 85007

11 Steve Olea, Director
12 Utilities Division
13 ARIZONA CORPORATION COMMISSION
14 1200 West Washington Street
15 Phoenix, AZ 85007

16 By: 
17 Debbi Person
18 Assistant to Dwight D. Nodes
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